

ORDINANCE NO. 5561

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA AMENDING THE 2008-2010 MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SANTA BARBARA AND THE SANTA BARBARA CITY EMPLOYEES' ASSOCIATION (GENERAL UNIT), ORD NO. 5477, TO EXTEND THE TERM OF THE AGREEMENT THROUGH SEPTEMBER 30, 2012, AND TO INCLUDE A SUPPLEMENTAL AGREEMENT ON LABOR CONCESSIONS

THE COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS FOLLOWS:

SECTION 1. The Memorandum of Understanding between the City of Santa Barbara and the Santa Barbara City Employees' Association, Local 620, Service Employees' International Union, adopted by Ordinance No. 5477, is hereby amended to include the supplemental agreement dated July 12, 2011, and attached hereto and incorporated herein by reference as Exhibit A.

SECTION 2. The City Administrator is authorized to apply the changes to salaries and benefits contained in this supplemental agreement to the City's Confidential employees.

## **SUPPLEMENTAL AGREEMENT BETWEEN THE CITY AND THE GENERAL BARGAINING UNIT REGARDING FURLOUGH AND OTHER LAYOFF AVOIDANCE MEASURES**

Pursuant to Section 3.12 of the Municipal Code of the City of Santa Barbara and Section 3500 et. seq. of the Government Code, the duly authorized representatives of the City Of Santa Barbara ("The City") and the Santa Barbara City Employees' Association, Local 620 Service Employees' International Union, ("The Union"), having met and conferred in good faith, agree that the existing 2008-2010 Memorandum of Understanding (MOU), Ord No. 5477 (which was supplemented by Ordinance No. 5492 adopted on June 30, 2009, and by Ord. No. 5527 adopted on June 29, 2010), shall be supplemented with the following additional agreement:

1. **TERM:** The term of the existing Memorandum of Understanding will be extended through June 30, 2012.

### **2. FISCAL YEAR 2012 LABOR SAVINGS**

#### **a. Furlough:**

- i. Each General Unit employee will be subject to an unpaid furlough of **98** hours (prorated for part-time employees) during Fiscal Year 2011-2012. The furlough will be accomplished under the furlough plan attached as **Attachment 1**. Payroll deductions for the furlough will begin on June 18, 2011.

#### **b. Vacation Cash Out:** The vacation cash-out provision outlined in Article 61(c) and 61(d) of the current M.O.U. will be suspended for the remaining term of the Memorandum of Understanding, subject to the following:

- i. While the vacation cash-out is suspended, it is the intent of the City to allow employees who are near the maximum vacation accrual cap to take at least an amount of vacation time off in the fiscal year equivalent to the full amount of vacation accrual the employee will receive during the same period.
- ii. For purposes of this section "near" means the employee is within one year of normal vacation accrual from exceeding the maximum vacation accrual cap.
- iii. So long as the employee notifies management of the need to take such vacation in order to avoid reaching the vacation accrual cap prior to July 31<sup>st</sup>, 2011, management will make every reasonable effort to schedule time off for the employee to avoid the loss of vacation.

3. **REOPENER ON NON-ECONOMIC ISSUES:** The Union may request to reopen negotiations during the term of this agreement to consider no more than ten non-economic conditions of employment. Such request will be made by a single written notice served to the City no sooner than September 1, 2011 and no later than September 30, 2011 identifying the issues with specificity. Such

negotiations will commence within 30 days of the written notice. The parties will use the interest based bargaining process.

4. **REOPENER IN THE EVENT OF LAYOFFS:** Nothing in this Supplemental Agreement shall restrict the right of the City Council to make further permanent reductions in workforce for economic reasons if the City's financial position has significantly changed, as authorized under the Santa Barbara City Charter, including but not limited to Sections 1007 and 1008, and the Santa Barbara Municipal Code. However, prior to the implementation of any additional layoffs proposed during the remaining term of the MOU, the City will provide the Union with a minimum of 60 days notice and the immediate opportunity to meet and confer over any negotiable impacts of such layoffs not contained in the current MOU. The parties will use the interest based bargaining process.
5. **SEVERABILITY-** If any provision of this Supplemental Agreement is held unenforceable, then such provision will be modified to reflect the intention of the parties. All remaining provisions of the Supplemental Agreement shall remain in full force and effect.

**Dated: July 12, 2011**

**For the City**

**For the Union**

CITY OF SANTA BARBARA  
FISCAL YEAR 2012  
MANDATORY UNPAID FURLOUGH PLAN  
GENERAL BARGAINING UNIT

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**I. Purpose**

The purpose of this mandatory unpaid work furlough plan ("the plan") is to:

- Allow the City to address anticipated revenue shortfalls and increased expenses in Fiscal Year 2012 while minimizing the need for service cuts and staff layoffs; and
- Establish, in advance, a clear and understandable method to mitigate the impacts of a work furlough on affected employees.

**II. Definitions**

"Work furlough" refers to one or more hours of required unpaid leave taken on a consecutive or intermittent basis.

**III. Application**

This policy applies to all employees in the General Bargaining Unit.

**IV. Declaration and Scheduling of Mandatory Work Furlough**

1. **Implementation:** This Mandatory Furlough Plan may be implemented without any further duty to meet and confer, subject to the following conditions:

a) The City Council has made a declaration by Resolution that a reduction in workforce is necessary for economic reasons and that a mandatory unpaid work furlough should be implemented.

b) The mandatory unpaid furlough time does not exceed 98 hours for any affected full-time employee, prorated for part-time employees.

2. Scheduling of Furlough:

a) General Furlough Closure: The City will observe a General Furlough Closure, during which many City offices and operations will be closed. General Furlough Closure periods are tentatively planned to be observed on the dates reflected in the Fiscal Year 2012 Furlough Closure Schedule (see attachment 1A).

Many employees in operations that are subject to the General Furlough Closure, and in other operations, will be scheduled to take furlough time off during these furlough closure dates. However, some employees will be scheduled to work during such closure periods based on City operational needs, or by mutual agreement between the employee and the employee's supervisor.

The City stipulates that employees in the Airport Maintenance Division, Waterfront Maintenance Division, and Motor Pool will not be subject to the General Furlough Closure.

b) Furlough Time Off Bank: Any furlough hours not scheduled to be taken as part of a General Furlough Closure shall become part of an employee's furlough time off bank. Employees will take the furlough time off before June 15, 2012. Such time off shall be scheduled on the same terms as vacation under Article 61(b) of the current MOU.

Provided requests to take furlough time off are received at least 2 weeks in advance and prior to September 30, 2011, management will make good faith efforts to accommodate employee choice whenever practicable.

Groups of employees (not individual employees) who have issues emanating from the furlough may request that the issue be reviewed by a panel consisting of one City representative and one Union representative who shall issue a non-binding advisory opinion to the Department Head.

Management may require employees to use furlough banks before paid vacation or personal leave is taken off. Management reserves the right to schedule an employee to take any unscheduled furlough hours remaining in an employees bank on or after March 30, 2012 based solely on operational need.

c) Rescheduling Furlough Time Off: If an employee is not able to take furlough time off as originally scheduled, the furlough hours will become part of the employee's Furlough Time Off Bank and will be rescheduled as provided in subsection "b" above. Supervisors will be encouraged,

where practicable, to make reasonable efforts to avoid disruption to employees if scheduled furlough time off must be rescheduled (e.g. by finding qualified volunteers). However, this may not always be possible.

3. Application to Voluntary Hours Reduction Requests: Once this plan is implemented for Fiscal Year 2012, employees who offered to voluntarily reduce their hours to part-time under the "Part-Time Work" Policy or to take an unpaid leave of absence under the "Leave of Absence Without Pay, Non-Medical Reasons" Policy during Fiscal Year 2012 will be provided an opportunity to rescind their voluntary part-time schedule or unpaid leave request.

4. Work During Furlough: No employee may perform work for the City when scheduled to be off of work on furlough period unless authorized by management.

## **V. Effect of Mandatory Work Furlough on Employee Pay**

1. Pay Reduction: The period of furlough time off will be unpaid. Furlough time off will be tracked under a separate unpaid hours code.

2. Non Exempt Employees- Pay Mitigation Plan:

a) For non-exempt employees, the wage loss from the mandatory furlough will be distributed evenly over the full fiscal year. Effective the first full pay period in Fiscal Year 2012, beginning on June 18, 2011, a deduction will be made from employee compensation in an amount equivalent to 1/26th of the total unpaid mandatory furloughed time through the end of the last pay period of Fiscal Year 2011, ending on June 15, 2012.

b) Mutual Reimbursement:

(1) For employees in active paid status as of the beginning of the fiscal year who terminate employment within the fiscal year:

(a) If, at the time of termination, the reduction in pay exceeds the furlough time off taken, the employee will be entitled to pay for the difference.

(b) If, at the time of termination, furlough time off taken exceeds the reduction in pay, the employee will need to reimburse the City for the difference in pay.

(2) An employee who is hired or otherwise enters active paid status after the beginning of the fiscal year will be scheduled for furlough time off and will have

his or her pay reduced by an amount equivalent to 1/26<sup>th</sup> of the total furloughed time for the first 26 pay periods of employment. The employee will be subject to the same mutual reimbursement provisions in Section (1) above, if the employee terminates employment before the 26 pay periods are complete.

(3) An employee who is on unpaid status for any other reason at any point during the fiscal year will, upon return to active paid status, be scheduled to make up any furlough hours not taken and will continue to have his or her pay reduced by an amount equivalent to 1/26<sup>th</sup> of the total furloughed time until 26 full pay periods of reduction have been achieved. The employee will be subject to the same mutual reimbursement provisions in Section (a) above, if the employee terminates employment before the 26 pay periods are complete.

### 3. Exempt Employees

a) Exempt employees will be considered non-exempt employees under the Fair Labor Standards Act (FLSA) guidelines in any FLSA workweek in which one or more hours of unpaid furlough time off occurs (See 29 CFR 541.710(b)). Such employees will be eligible for hourly pay for any work performed during that FLSA workweek, just as non-exempt employees would be. Such employees may also be eligible for overtime compensation during any such FLSA workweek according to applicable FLSA guidelines. For purposes of this provision only, the FLSA workweek of an otherwise exempt employee will be the City's standard FLSA work week, beginning and ending at midnight on Friday night, regardless of the employee's regular work schedule.

b) Exempt Employees - Pay Mitigation Plan: Exempt employee pay will be reduced under the same Pay Mitigation Plan outlined for non-exempt employees in Section V.2, above.

(a) The City and the Union agree that is our mutual good faith interpretation of 29 CFR 541.710(b) that the City may implement a pay mitigation plan for exempt employees without affecting the exempt status of such employees under the FLSA to a greater degree than expressed in Section V.3(a), above.

(b) If the City receives an opinion from the U.S. Department of Labor or other binding legal

authority that indicates that the pay mitigation plan for exempt employees further affects the exempt status of such employees, the City will promptly notify the affected represented bargaining units and the parties will reopen negotiations within 30 days of such notice to determine an alternate method of furlough pay deductions that will preserve such employees' exempt status.

## **VI. Benefits During a Mandatory Work Furlough**

1. **Health, Life, and Cafeteria Plan Benefits:** An employee shall receive continued medical, dental, vision, life insurance, and cafeteria plan benefits, including any City contribution, at the level the employee would have received absent the work furlough. Employees will be responsible for the same employee contributions to these benefits that they would have made absent the work furlough.
2. **Retirement:** To the extent allowable by CalPERS, and in compliance with any restrictions imposed by CalPERS, the City will ensure that retirement benefits will not be adversely impacted as a result of the furlough and related reduction in hours and/or salary.
3. **Other Benefits:** Other benefits may be reduced as required under normal benefit rules related to work schedule or unpaid leave. Such benefits include, but are not limited to: disability insurance or SDI/PFL contributions, Medicare contributions, etc.
4. **Paid Leave Accrual:** Employees will receive the same vacation, sick leave, and personal leave accruals they would have received absent the work furlough.
5. **Legal Holidays:** Employees on a work furlough shall receive legal holiday pay as follows:
  - a) Employees in classifications entitled to accrue holiday credit will continue to receive the same holiday credit.
  - b) For employees who do not accrue credit, where a legal holiday is observed during a period of work furlough, the employee will be paid hours for that holiday at the same level employee would have received absent the work furlough. In other words, that holiday will not count as an unpaid furlough day. For employees on a 9/80 or 4/10 schedule, the employee may be required to use accrued paid leave banks to make up the full paid holiday, as usual.
6. **Use of Paid Leave:** An employee will not be permitted to use accrued paid leave banks (vacation, sick leave, compensatory time, personal or management leave) during the unpaid furloughed hours.



7. Vacation Accruals: Management will make every reasonable effort to work with employees to avoid loss of vacation accruals or personal leave due to encroachment on accrual caps or time limits for use.

8. Standby and Call-back: An employee may be assigned to call-back or standby during a work furlough as provided under the applicable labor agreement or City policy. An employee called-back to active paid work during the unpaid furlough period will be required to take equivalent additional unpaid furlough during the remainder of the fiscal year.

9. Service & Seniority: Furlough shall not count as a break in City service and shall not affect seniority or eligibility for merit increases.

10. Schedule Changes: While an employee is on a furlough, schedule changes will be subject to the requirements of the applicable labor agreement

11. Overtime: Employees will only be eligible for overtime premium that they would have received absent the reduction in work hours. (i.e., for over 40 hours worked in a workweek)

12. Probationary Period: Probationary periods shall not be affected by a mandatory furlough.

13. Limits on Benefit Continuation: Special benefit continuation under this furlough plan is available only to employees during their mandatory unpaid furlough period(s). Otherwise, employees are covered by benefit continuation under other City policies, including the City's applicable Leave Without Pay policies.

# CITY OF SANTA BARBARA FY 2012 FURLOUGH CLOSURE SCHEDULE

Attachment 1A to Furlough Plan

FACILITY	OFFICES	DECEMBER HOLIDAY CLOSURE DATES	OTHER CLOSURE DATES
City Hall 735 Anacapa Street	Administration Mayor & Council Offices City Clerk & Human Resources Finance Administration Billing, Licenses/Permits Payroll & Risk Management Information Systems	<u>Standard Holiday Closure</u> • Monday, December 20th, 2011 through Monday, January 1, 2012	<u>Standard Additional Closure Dates</u> • Wednesday November 23, 2011
Airport Administration Bldg 601 Firestone Road	Airport Administration	Standard Holiday Closure Dates	Standard Additional Closure Dates
Fire Station 1 121 W. Carrillo Street	Fire Administrative Office	Standard Holiday Closure Dates	Standard Additional Closure Dates
Parks & Recreation Office 620 Laguna Street	Department Administration	Standard Holiday Closure Dates	Standard Additional Closure Dates
Parks Office 402 Ortega Street	Parks Office	Standard Holiday Closure Dates	Standard Additional Closure Dates
P.W. and C.D. Bldg. 630 Garden Street	Community Development Counters Public Works Counters	Standard Holiday Closure Dates	Standard Additional Closure Dates
City Attorney's Office 740 State #201	City Attorney Administration	Standard Holiday Closure Dates	Standard Additional Closure Dates
Downtown Parking 1221 Anacapa Street	Downtown Parking Admin. Office Environmental Services	Standard Holiday Closure Dates	Standard Additional Closure Dates
City Libraries 40 E. Anapamu Street	Library Administration Central Library Eastside Library	<u>Modified Holiday Closure:</u> Saturday December 24 and Sunday, December 25, 2011; Saturday December 31, 2011 and Sunday, January 1, 2012 (already closed Mondays)	Standard Additional Closure Dates
County Libraries	Carpinteria, Goleta, Montecito and Solvang Libraries	Offices Open as Usual	Offices Open as Usual
Police Department 215 E. Figueroa Street	Police Chief's Offices  Police Counters	Offices Open as Usual	Offices Open as Usual
Waterfront Admin. Bldg 132 #A Harbor Way	Waterfront Administration (Harbor Patrol Counter 24 hrs.)	Offices Open as Usual	Offices Open as Usual
Carrillo Recreation Center 100 E. Carrillo Street	Active Adults, Youth Activities, Teen Programs	Standard Holiday Closure Dates [Except as rented or special programs]	Standard Additional Closure Dates [Except as rented or special programs]
Franklin Community Center 1136 E. Montecito Street	Community Center Programs	Standard Holiday Closure Dates [Except as rented or special programs]	Standard Additional Closure Dates [Except as rented or special programs]
Westside Community Center 423 W. Victoria Street	Community Center Programs	Standard Holiday Closure Dates [Except as rented or special programs]	Standard Additional Closure Dates [Except as rented or special programs]

# CITY OF SANTA BARBARA FY 2012 FURLOUGH CLOSURE SCHEDULE

Attachment 1A to Furlough Plan

FACILITY	OFFICES	DECEMBER HOLIDAY CLOSURE DATES	OTHER CLOSURE DATES
Louise Lowry Davis Center 1232 De La Vina Street	Community Center Programs	Standard Holiday Closure Dates [Except as rented]	Standard Additional Closure Dates [Except as rented]
Cabrillo Pavilion/Bathhouse 1118 East Cabrillo Blvd.	Cultural Arts/Facilities Aquatics/Sports/Adaptive Program	Standard Holiday Closure Dates [Except as rented]	Standard Additional Closure Dates [Except as rented]

Closure dates subject to change based on operational needs.

For additional Counter, Office, and Operations Hours: Visit our website at: [www.santabarbaraca.gov](http://www.santabarbaraca.gov) , or call (805) 564-0611.

Date: June 23, 2011

**ORDINANCE NO. 5561**

STATE OF CALIFORNIA                     )  
  )  
COUNTY OF SANTA BARBARA         ) ss.  
  )  
CITY OF SANTA BARBARA                )

I HEREBY CERTIFY that the foregoing ordinance was introduced on July 12, 2011, and was adopted by the Council of the City of Santa Barbara at a meeting held on July 26, 2011, by the following roll call vote:

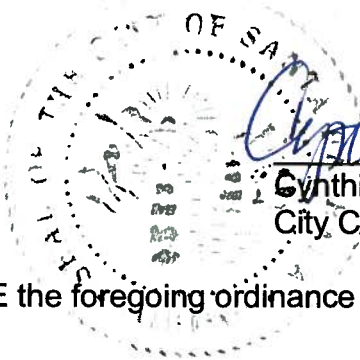
AYES:                     Councilmembers Dale Francisco, Frank Hotchkiss, Grant House,  
  Randy Rowse, Michael Self, Bendy White; Mayor Helene  
  Schneider

NOES:                     None

ABSENT:                  None


ABSTENTIONS:       None

IN WITNESS WHEREOF, I have hereto set my hand and affixed the official seal of the City of Santa Barbara on July 27, 2011.



  
Cynthia M. Rodriguez, CMC  
City Clerk Services Manager

I HEREBY APPROVE the foregoing ordinance on July 27, 2011.

  
Helene Schneider  
Mayor